IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

SPECIAL CIVIL APPLICATION NO. 2419 OF 1993

For Approval and Signature:

HONOURABLE MR.JUSTICE R.S.GARG

==========

1 Whether Reporters of Local Papers may be allowed to see the judgment ?

2 To be referred to the Reporter or not ?

3 Whether their Lordships wish to see the fair copy of the judgment ?

4 Whether this case involves a substantial question of law as to the interpretation of the Constitution of India, 1950 or any order made thereunder ?

5 Whether it is to be circulated to the Civil Judge?

==========

M/S.SMITA INK & PAINTS CORPORATION - Petitioner(s)
Versus
GUJARAT SMALL INDUSTRIES CORPORATION LIMITED & ANR. - Respondent(s)

==========

Appearance :
MR. ASHOK L. SHAH for Petitioner(s).
MR. P.V. HATHI for Respondent(s).

==========

CORAM : HONOURABLE MR.JUSTICE R.S.GARG

Date : 22/11/2006

ORAL JUDGMENT

The learned Counsel for the respondents submits that respondent No.1-Corporation is ready and willing to withdraw the Recovery Certificate and is also ready to provide one opportunity to the present petitioners to submit their case before the Corporation. This satisfies

the learned Counsel for the petitioners.

In view of the submissions made by the learned Counsel for the respondents, all the proceedings subsequent to issuance of the Certificate and the Certificate itself, are quashed. The respondent No.1 would be entitled to issue a Notice to show cause to the present petitioners, who shall be obliged to submit their reply and present their case before respondent No.1. In case, despite service of the said notice, the petitioners do not appear before the Authority, then, the said authority would be entitled to proceed *ex parte* and decide the matter in accordance with law.

There is an interim direction by this Court that during the pendency of these proceedings, the petitioners would not alienate of their property. Taking into consideration that the matter is yet to be disposed of finally by respondent No.1, I hereby direct that the present petitioners shall not transfer, alienate the property or create any charge over it till the matter is finally disposed of by respondent No.1. The petition is disposed of. Rule is made absolute. No costs.

[R.S.Garg, J.]

*kamlesh**